Partnering Meeting

09 May 2002

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Agenda

- Welcome
- Status
- Rolling Admissions
- Current Information/Issues
- Questions

SeaPort Task Orders Awarded

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- 54 Task Orders Awarded since last Partnering Meeting
- 83 Task Orders Awarded
- Total Potential Value including all options and Award Terms in excess of $1.1B
- Dollars Obligated $76.5M

SeaPort Awarded Task Orders

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- ADI *
- ANADAC
- ANTEON
- BAE
- CACI
- CRC*
- CSC
- EG&G
- GRC
- Gryphon*
- JJMA
- Lockheed Martin
- Logicon
- PCI
- TMASC
- Vredenburg
- UII / Zimmerman*

17 of 21 MAC Prime Contractors have been awarded at least one Task Order

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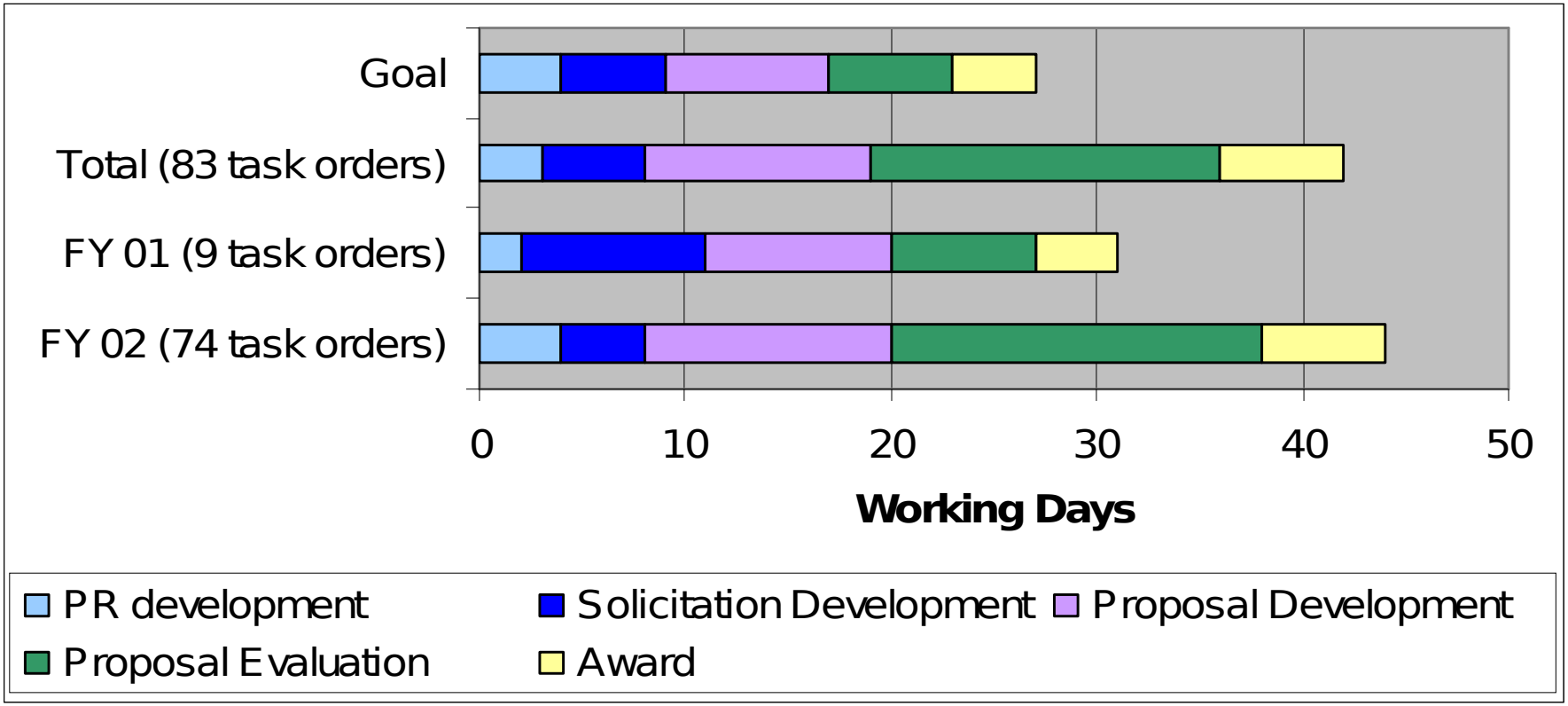
SeaPort Processing Time

Data as of 02 May 2002



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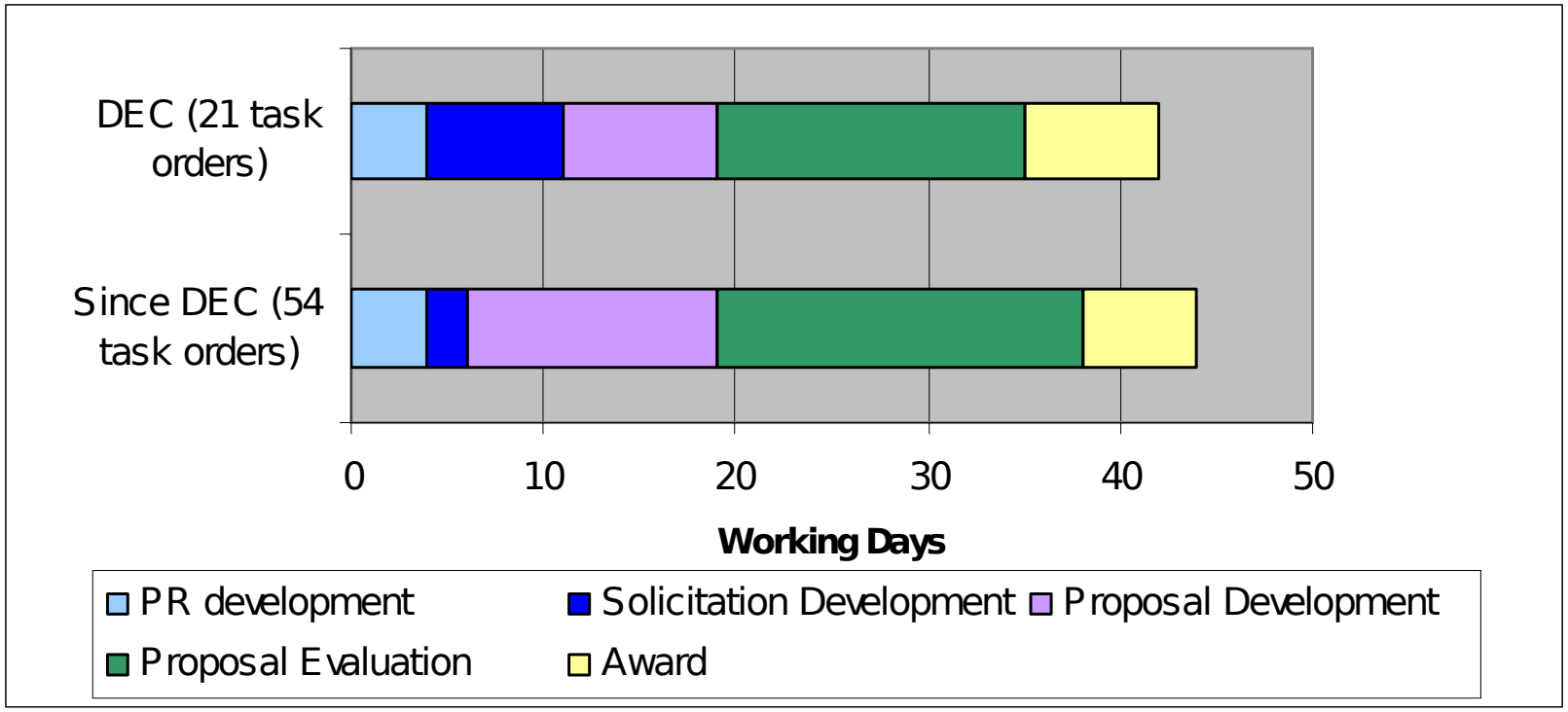
Changes Since Last Partnering Meeting (DEC 01)



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SB Contracting

- Prime Awards Actual to Date
  - Potential TO Value
    (Including Award Term) 11.7%
  - Potential TO Value 11.4%
  - Task Order Value 15.3%
  - Dollars Obligated 13.7%

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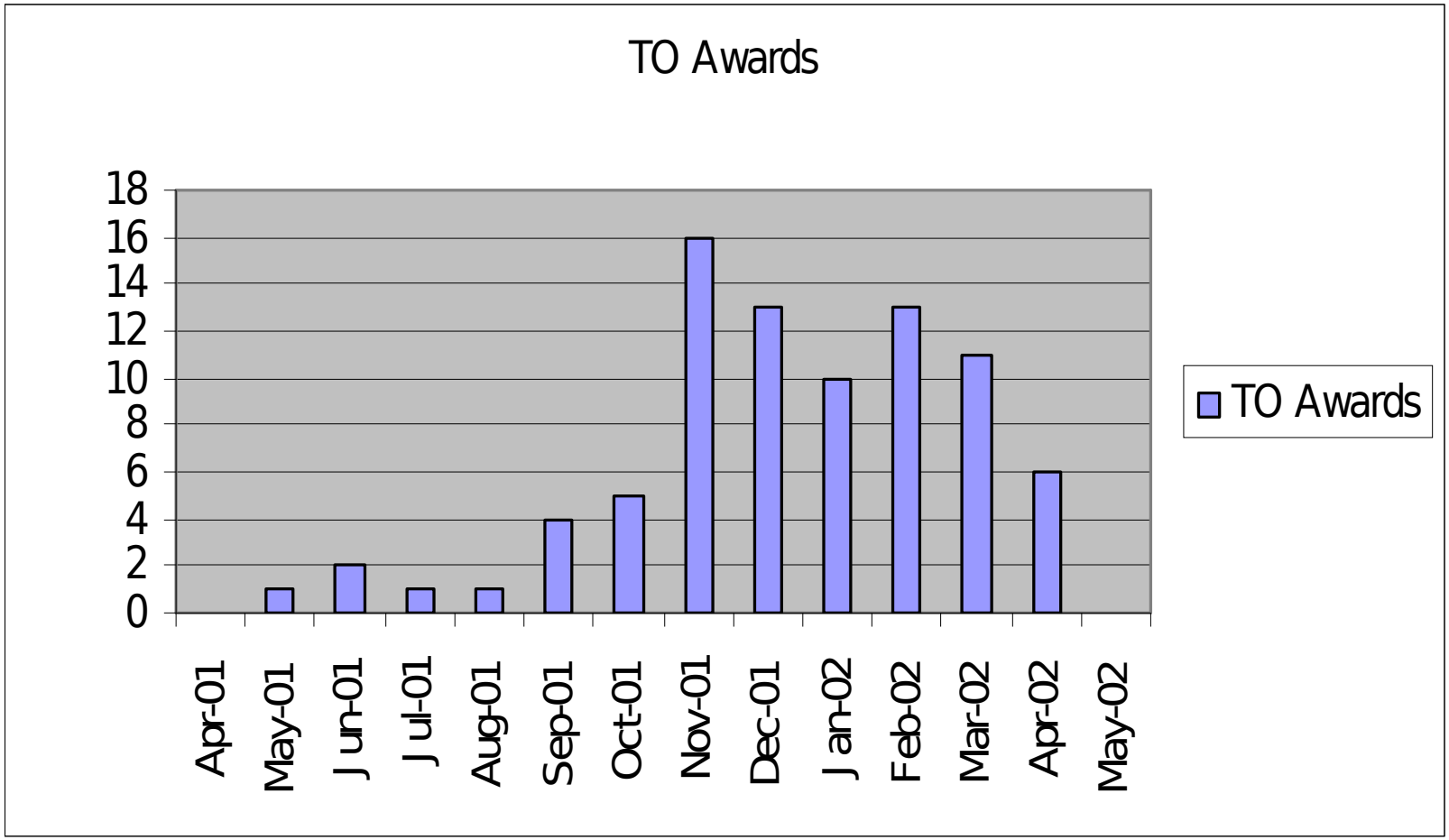
TO Awards



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SB Subcontracting

- First reporting period that DD 294s should contain meaningful data
- SB Subcontracting will be reviewed as part of CPARS
- SB Subcontracting will be reviewed as part of Award Term evaluations
- SB Subcontracting plans have been required on solicitations for larger task orders

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CPARS Evaluations

- Limited information currently available on task order performance
  - system requires annual evaluation
- Prior to inputting information into CPARs would like to meet individually with the MAC contractors to discuss performance

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Rolling Admissions

- Determination that awarding additional contracts not currently in best interest of the Government
- Potential for new MAC awards
  - Currently subcontractors are excluded
  - Ground rules for evaluating capability to meet breadth and depth requirements?

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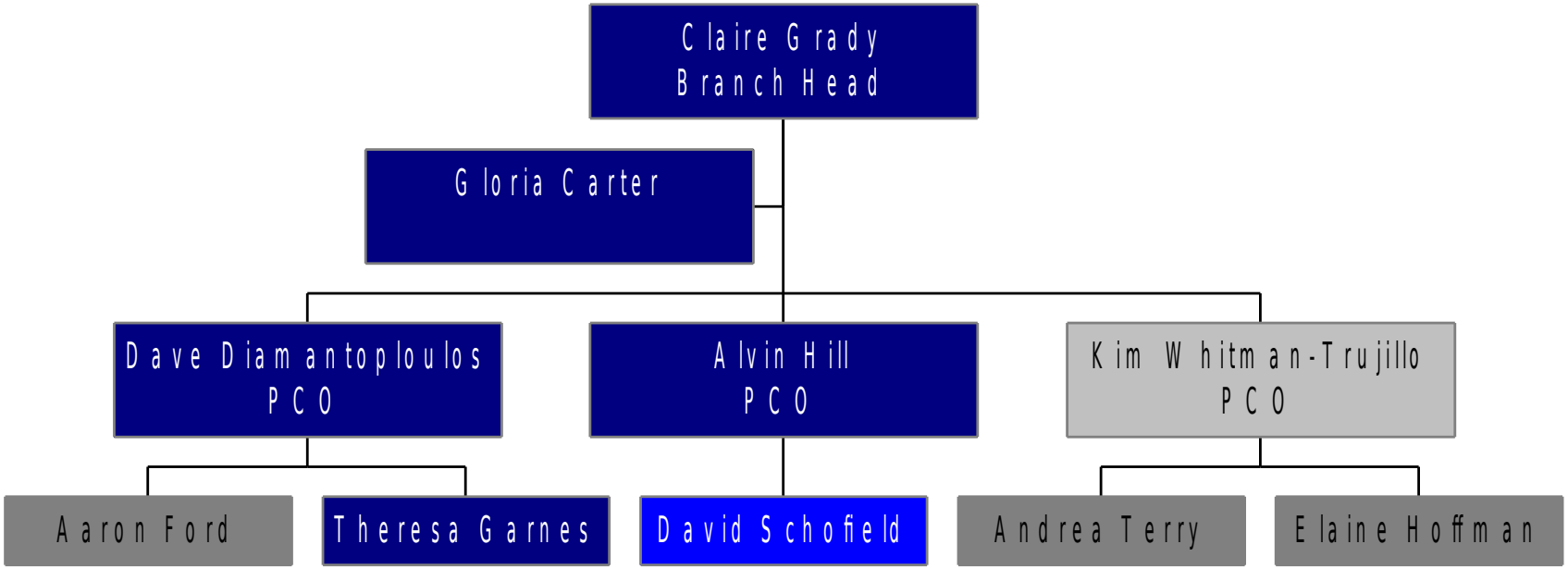
SEA 0255



Gray=Employees who are/will be leaving

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Defense Appropriations Act - Title VIII

- Savings
- Performance Based Mandate
- Competition Requirements
  - MACs
    - notice to all MAC holders
    - all proposals received fairly considered
  - GSA Schedules
    - Notice to as many as is practicable
    - Must receive three offers

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Conversion to Performance Based Services

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Field Activity Roll-Out

- Unique interface requirements driven by legacy applications
- Next few weeks, pilot procurement from NSWC Indian Head
- Local activity/contracting officer will be responsible for award determination/TO placement
- Encouraging additional pilot procurements from other activities

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Future Services Reductions

- Strategic Sourcing/Wedge Savings
- FY 03 Reductions
- Title VIII Reductions
  - FY 02 3%
  - FY 03 4%
  - FY 04 5%
  - FY 11 10%

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Potential Future Procurements

- LPD 17 - potentially this summer
- CEC - decision pending
- DDX - FY 02?
- PEO Carriers - efficiency study conducted, determining implementation approach
- 05D LHA SDM Support - beginning FY 03

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Future of SeaPort

- Field Activity roll-out
- Usage by non-SeaPort PCOs
- Attempting to Interface with SPS
  - Standardized appearance for payment and administration offices
  - Allows SeaPort to piggyback on any DoD/Navy initiatives
    - Wide Area Work Flow
    - Web Enabled Invoicing Systems

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Questions

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Small Business Subcontracting

In the MAC Solicitation there were small business % goals for large business participants. These % are not being met by large business MAC holders. When will NAVSEA audit the large business MAC holders to “enforce” small business subcontract participation?

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Subcontracting

- SF 294 due 30 April
- Small Business Subcontracting Plan is a material element of the contract
- Performance relative to the plans will be evaluated as part of CPARS
- Performance also a factor in:
  - exercise of option on MAC contract
  - award terms on TO

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LOE in Solicitations

So far, only 6% of the MAC $ have gone to small business MAC holders. What can NAVSEA do to assure a fair share of $ for small business firms?

- No provisions under multiple award contracts for Small Business set-asides
- Actual percentage of SB prime awards range from 11.4%-15.4%

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Amendments to Solicitations

Does SeaPort perform a review process on a solicitation prior to its release? Understanding that some things are found after the solicitation is released, the multiple amendments on some solicitations (changing scope of work, required LOE, size of allowed tech response, etc) results in a lot of rework at the contractor level and additional cost.

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Amendments to Solicitations

- Every effort is made to ensure solicitations are accurate and complete before release
- Amendments changing scope and LOE are infrequent
- Amendments making changes that impact contractor's proposals typically include additional response time
- Many changes made in response industry
  - late questions/comments
  - requests for expansion of proposal page limits

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Metrics

Has SeaPort developed any metrics looking at the overall win history for its solicitations? Incumbents winning vs. non-incumbents? Cost Savings? Will metrics be made available to the MAC Contract holders?

- Can be difficult to accurately capture
  - prime/subcontract
  - consolidation or segregation of requirements
- If meaningful metrics can be developed, we will share those metrics

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Metrics (cont.)

- System captures savings information:
  - savings relative to current vehicle
  - pass-through savings
  - savings due to conversion to performance based
- Directorates/PEOs responsible for generating/reporting savings
  - Buying Habits and Contracting Efficiencies group (BH/CE)
  - Information not likely to be made available

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Best Value Determinations

Please discuss how “best value” works.

- “select the most advantageous offer by evaluating and comparing factors in addition to cost or price.”
- “It allows offerors flexibility in selection of their best proposal strategy through tradeoffs which may be made between the cost and non-cost evaluation factors.
- “ It should result in an award that will give the Government the greatest or best value for its money.”

Source: http://www.abm.rda.hq.navy.mil/bpbest.cfm

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Best Value (cont.)

- Executive Order 12931, which was issued on 13 October 94 directs executive agencies to "place more emphasis on past performance and promote best value rather than simply low cost in selecting sources for supplies and services".

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Award Determinations

We are all supposedly “pre-qualified” by virtue of holding a MAC contract and it is difficult to understand how a ~20% lower bid from a qualified source results in “best value”.

- Not all MAC holders are equally qualified to perform all work
- Technical approaches, personnel qualifications and relevant past performance vary by company and proposal
- Outlying proposals that differ greatly from the other proposals submitted, without any reasonable explanation for achieving a dramatic increase in efficiency, raise questions about that offeror’s understanding of the scope of work and it’s capability of performing the work

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Response Times

Will SeaPort consider standardizing the response requirements on individual solicitations based on the size of the proposed task orders? Some very large jobs have unvarying 7 day response times and a recent 240 hour job had two weeks!

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Proposal Response Times

- Try to allow adequate time
  - Limited visibility into upcoming requirements/legitimate need to achieve a specific award date
  - Allowing additional time where possible
- Instances where draft solicitations were available for extended periods, response times have been shorter.
  - Does this create an issue?
  - How long is considered adequate for larger solicitations?
- If response time is insufficient, we encourage you to contact the PCO and request additional time.

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Team Composition

Will SeaPort look at allowing the MAC Contract holders to add or delete team members from their MAC teams on a permanent basis? If Yes, when?

- In accordance with H-9, Substitution of Team Members: “The Contractor may not add or delete any team member from the team without a prior contract modification signed by the Procuring Contracting Officer.”

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Proposal Evaluation Summaries

Will SeaPort consider providing the debriefs at the same time it makes the announcement on the award of a solicitation?

- Not every offeror requests a debrief on every procurement
- Proposal evaluation summaries can be time consuming to prepare
- We have evolved award documentation to allow us to respond more quickly to proposal evaluation summary requests

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Browser Compatibility with Auction Services

When will the auction services site be upgraded for use with IE 6.0? Virtually all new computers come with this loaded and it is extremely difficult, if not impossible, to “downgrade” that application thanks to Mr. Gates. Please don’t exclude the earlier 5.5 version when this is done as all of us don’t have the luxury of a new machine.

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Browser Compatibility with Auction Services

- Next week, Commerce One will release a patch to make Auctions 4.1 compatible with IE 6.0
  - Will be tested in the development lab
  - Patch could be deployed to production 06/02
  - It's possible that we may have to go through the upgrade / applet download process for every user
- Auctions will continue to be backwards-compatible with the Netscape and IE 5.0/5.5 users.

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Pre-Release Notifications

We need better pre notice of the release of a solicitation. If competition is really desired, this will assist in that aim. A few months ago, we were to see this on the calendar each first Saturday. That happened once. Sometimes we see a pre solicitation SOW but only when we ask for it. There must be many requirements in the works, they cannot all be “last minute”. What are the plans for better notification?

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Pre-Release Notifications

- Solicitations are posted within two days and draft SOWs are posted within one day of receipt in contracts
- Advance notification of requirements have been posted for the four instances we were aware of the requirement before it was in the system
- Less visibility into upcoming requirements as users have become more familiar with the system